



STATE OF DELAWARE
OFFICE OF AUDITOR OF ACCOUNTS

R. THOMAS WAGNER, JR., CFE, CGFM, CICA
AUDITOR OF ACCOUNTS

PHONE: 302-739-5055
FAX: 302-739-4217

PRESS RELEASE

Delaware Single Audit Report

DOVER – State Auditor R. Thomas Wagner, Jr. releases the Delaware Single Audit report for Year Ended June 30, 2010. During the audit period the State expended more than \$2.2 billion in federal funds up more than \$580 million from last year. The number of findings more than doubled from 35 to 79 with 19 findings reoccurring for one or more years.

The report included findings on:

- Agencies that pass federal funds to organizations to administer the program were not performing monitoring to ensure the money was used for its intended purpose.
- Agencies failed to ensure that federally suspended or debarred vendors were not hired.
- School district and state agency employees were unable to support their salaries charged to specific federal programs.
- A school district failed to follow state procurement laws in consulting with an “outside expert” to develop an improvement plan to address poor student performance at two schools as required by federal regulation.
- A school district was unable to provide supporting documentation for more than \$452 thousand in ARRA expenditures.

Two programs with federal expenditures of over \$19.9 million received an adverse opinion as a result of failure to adhere to program requirements. Both programs, Low-Income Home Energy Assistance Program (LIHEAP) and the Weatherization Assistance for Low-Income Persons (Weatherization), were administered by Department of Health and Social Services (DHSS).

The State was informed of program problems in the prior year single audit report. In the current audit response the State indicated that the Weatherization program is being transferred to the Delaware

Department of Natural Resources and Environmental Control while LIHEAP will remain at DHSS. “It is unclear what, if any, impact this will have on improving program results,” according to State Auditor Wagner. State Auditor Wagner went on to further to say “moving programs from one agency to another without implementing necessary controls does not give me much hope for improvement.”

A complete copy of the report can be found at : [State of Delaware FY2010 Single Audit Final Report \(A-133\)](#)

For more information, please contact Kathleen O'Donnell, CPA-PA, CISA, CGFM, CGAP, Chief Administrative Auditor, for questions at 302-857-3919 or Kathleen.Odonnell@state.de.us.